GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2760
ANSWERED ON:15.12.2015
Demand and Supply of Fertilizers
Biju Shri Parayamparanbil Kuttappan;Dubey Shri Nishikant ;Innocent Shri ;Meghwal Shri Arjun Ram ;Pandula Dr. Ravindra Babu ;Patel Shri Dilip

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS & FERTILIZERS be pleased to state:

(a) the estimated annual demand and supply of fertilizers, State/UT-wise in the country;

(b) whether their fertilizers are imported due to non-availability as per demand in the country;

(c) if so, the countries from where the fertilizers are imported along with their quantity and value thereof;

(d) whether the Government proposes to increase the production capacity of the fertilizer plants in the country so as to meet the demand thereof and if so, the details in this regard; and

(e) the details of investments made by the Government in fertilizer sector at present in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a): The estimated annual demand of Urea, DAP, MOP and NPK in the country during the year 2015-16 is 314.64 LMT, 102.44, 36.16 LMT and 106.24 LMT respectively. A statement indicating State-wise requirement and availability(supply) in the current year upto the month of November, 2015 is Annexed.
(b)& (c): Yes, Madam. The fertilizers are imported to meet the gap between the demand and indigenous production.

Urea is the only fertilizer under statutory price control and its import is restricted and permitted through State Trading enterprises (STEs) namely MMTC Limited (MMTC), State Trading Corporation Limited (STC) and Indian Potash Limited (IPL), under the Foreign Trade Policy of the Government. Government is also importing approximately 20 Lakh Metric Tonnes urea from Oman India Fertilizer Company (OMIFCO) under a long Term Urea Off Take Agreement (UOTA) between GOI & OMIFCO. The year-wise quantity and value of urea imported during the last three years and current year (upto November, 2015) are as under: -

Year Through OMIFCO (LMT) Through STE (LMT) Total Urea Imported (LMT) Value (Million US$)
2012-13 18.33 62.11 80.44 3,009.53
2013-14 21.21 49.68 70.89 1,968.36
2014-15 14.63 72.86 87.49 2,477.27
2015-16* 14.27 42.29 56.56 1,437.53
*Upto November, 2015

Import of fertilizers (other than Urea) is free, commonly known as Open General Licence (OGL). Various companies import these fertilizers as per their commercial judgement. Government does not maintain the value of these imports. The year-wise details of quantity of P&K fertilizers imported during the last three years and current year (upto November, 2015) are as follows: -
<Figures in Lakh MT>

Year DAP NPK MOP#
2012-13 57.02 4.05 24.95
2013-14 32.61 3.62 31.8
2014-15 38.53 2.91 41.97
2015-16* 52.88 6.29 25.72
*Upto November, 2015
MOP includes both for use as direct application as well as NPK manufacture.

The countries from where the fertilizers have been imported during the last three years and current year are Australia, Belarus, China, Canada, CIS, Estonia, Germany, Indonesia, Iran, Israel, Jordan, Korea, Latvia, Lithuania, Morocco, Oman, Russia, S. Arabia, Spain, Ukraine, USA and Vietnam.

(d): Department of Fertilizers has announced New Urea Policy 2015 on 25th May, 2015 with objectives of maximizing urea production from the existing domestic units. In addition, New Investment Policy 2012 was amended in 2014 to promote domestic investment in

urea sector. The closed fertilizer units of FCIL at Talcher and Ramagundam are being revived through nomination route with the help of Joint Ventures of Central PSUs. Further, it has been decided to revive closed FCIL units at Sindri & Gorakhpur and closed unit of HFCL at Barauni through bidding route. Government has also decided to set up a new urea unit with enhanced capacity by replacing the existing urea plant of BVFCL at Namrup in Assam.

(e): Government has made the following investments at present in Fertilizer PSUs:-

S. No Name of the PSUs Government Share in paid up Capital as on 31.03.2015 (Rs. in thousands)

1 Rashtriya Chemicals & Fertilizers Ltd 4413520
2 National Fertilizers Ltd 4401163
3 Fertilizer Corporation of India Ltd 7509200
4 Madras Fertilizers Ltd 964731
5 Hindustan Fertilizer Corporation Ltd 6865400
6 Brahmaputra Valley Fertilizer Corporation Ltd 3658324
7 The Fertilizers and Chemicals Travancore Ltd 5823648
Grand Total 33635986

*****